



Office of Administrative Services
Freedom of Information Act Office

June 17, 2015

Mr. David S.
321 Montgomery Road
Unite 160805
Altamonte Springs, FL 32714

Dear Mr. David S.:

This letter is in response to your U.S. General Services Administration (GSA) Freedom of Information Act (FOIA) request (GSA-2015-000624), dated March 29, 2015, in which you requested the following:

“Domestic Delivery Service 3rd Generation (DDS 3) of the Federal Strategic Sourcing Initiative (FSSI) program. Specifically, you requested the following information:

1. Federal government spending under DDS3 program;
2. Terms and shipping costs/shipping rates under DDS3 program; and
3. Project/actual annual savings under DDS3 program.”

In response to your inquiry for items 1 through 3 from above, GSA is responding as follows:

1. The Federal government spends approximately \$200 million annually.
2. Regarding the terms and shipping costs/shipping rates under the DDS3 program, please note the FOIA process requires GSA to provide the DDS3 vendors (FedEx and UPS) with the opportunity to object to the release of sensitive information since it is not publically available. Therefore, in response to your request:
 - a. We are enclosing FedEx’s “terms and shipping costs/shipping rates” under DDS3 in its entirety.
 - b. We are withholding portions of UPS’s “terms and shipping costs/shipping rates” under DDS3 referencing the fourth statutory FOIA exemption (5 U.S.C. 552(b) (4)). This information is not public and

U.S General Services Administration
1800 F. Street, Northwest
Washington, DC 20405
Telephone: (202) 501-0800
Fax: (202) 501-2727

UPS would suffer compounded and irreparable competitive harm if released. Release of certain pricing for specific customers based on

- c. Their unique shipping patterns would enable competitors to learn of the firm's discounting practices. The enclosed *UPS Pricing Table* includes the following tabs redacted in their entirety:

- i. GSA Depots Profile
- ii. FAA Ground Profile
- iii. IRS Print Profile
- iv. IRS Warehouse Profile
- v. VA CMOP Profile
- vi. VA CMOP Profile-NDA First AM
- vii. VA CMOP Profile-NDA Saver PM
- viii. VA CMOP Profile-Second Day
- ix. VA CMOP Profile-Third Day
- x. Optional Services-Return Package
- xi. OS Express Critical
- xii. OS Sure Post
- xiii. OS State Department (Letters Only)
- xiv. OS Unique Profile-NDA 1030
- xv. OS Unique Profile NDA Saver
- xvi. OS Ground Standard Custom residential
- xvii. OS Mail Innovations

- d. We are withholding portions of UPS's "terms and shipping costs/shipping rates" under DDS3 referencing the fourth statutory FOIA exemption (5 U.S.C. 552(b) (4)). Portions of the information are appropriate for release and some of the information would cause UPS to suffer compounded and irreparable competitive harm if released. Release of certain pricing for specific customers based on their unique shipping patterns would enable competitors to learn of the firm's discounting practices. Therefore, the enclosed *UPS Pricing Table* includes the following partially-redacted tabs:

- i. Instructions
- ii. Accessorial Delivery Services
- iii. Optional Reporting Services
- iv. OS-Alaska
- v. OS-Hawaii
- vi. Revenue Tiers
- vii. Electronic Practices Discounts

3. Project/actual annual savings under DDS3 program is approximately \$50.7 million annually.

You have the right to appeal the denial of the information withheld under FOIA. To do so, you must write within 120 days of your receipt of this letter, to the following address:

U.S. General Services Administration
Freedom of Information Act Office (H1C)
1800 F Street, NW – Room 7308
Washington, DC 20405

Your appeal must be in writing and should contain a brief statement of the reasons why you believe the requested information should be released. Enclose a copy of your initial request and a copy of this letter. Both the appeal letter and envelope should be marked prominently, "Freedom of Information Act Appeal."

Should you have any questions, please feel free to contact Mr. Ronnie Palmer, Director, Small Package Delivery by email at ronnie.palmer@gsa.gov.

Sincerely,

Travis S. Lewis

FOIA Program Manager

Enclosures